wood based has been brought down from 20 to 18% in the current budget.

(v) Customs Duty on the import of coal and chemicals used in the Paper Industry has been considerably brought down.

(vi) Customs Duty on the import of wood logs and wood chips has been brought down from 10% to zero.

(vii) Central Pulp & Paper Research Institute, an autonomous institute under the Government has done significant work in the field of research and development for paper industry like chemical recovery system, raw-material studies and other innovations which have helped to increase the production of paper in the country.

(viii) As a result of liberalised industrial policy introduced in 1991, 502 Industrial Entrepreneur Memorandums with a capacity of 83.52 lakh tonnes per annum have been filed for the manufacture of paper etc.

(d) Domestic supply of paper is growing in tandem with increase in demand. Domestic industry is geared to meet the broad based and growing demand for paper and paper-boards.

High Cost of Production of Export Items

*600. SHRI L. RAMANA : Will the Minister of COMMERCE be pleased to state :

(a) whether the cost of production of export items in the country is more as compared to other developing countries;

(b) if so, the reasons thereof;

(c) whether obsolete equipments, poor management and low labour productivity are the problems faced by the exporters;

(d) if so, whether it is a fact that exporters are unable to compete their products in the international market due to the above problems; and

(e) if so, the steps taken in this regard ?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) to (e) Sir, export performance is dependent inter alia on international factors such as market conditions, tariff and non-tariff barriers, besides domestic parameters such as the policy framework and procedures, state of domestic infrastructure, export competitiveness of export items etc.

India's export basket contains a large number of items and no specific study has been done by the Government for all the export commodities regarding the cost of production in the country vis-a-vis other developing countries. It might, however, be mentioned that in addition to the cost of production, other factors which influence export competitiveness include inter alia lack of export subsidies, high cost of infrastructure due to inefficiency in energy, transport, ports etc., cost of export credit, productivity of the factors of production etc.

Government monitors the trade performance on a continuous basis and export promotion measures are continuously being taken through changes in policies and procedures to provide for an export friendly environment, involving the States in export promotion, consultations with trade and industry of initiation of appropriate remedial measures to tackle general as well as sector-specific problems as warranted from time to time.

Grants to Disinvestment Commission

6470. SHRI MOHAN RAWALE : Will the Minister of INDUSTRY be pleased to state :

(a) whether the World Bank has granted Rs. 1.75 crore to the Disinvestment Commission;

(b) if so, the details thereof; and

(c) the areas where this amount is likely to be invested ?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c) The I.B.R.D. (World Bank) have indicated their agreement to make to India a grant in an amount not exceeding US $ 495000. This is meant for the Disinvestment Commission and will mainly finance short-term and long-term consultants for the next 2 years. The concurrence of the Government has so far not been conveyed to the World Bank or the agreement counter-signed.

Public Sector Undertaking

6471. SHRI RAM NAIK : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Cabinet Committee on Economic Affairs have decided to recover the outstandings of around Rs. 15,000/- crores against the Public Sector Undertakings;

(b) if so, the details of these outstandings, undertaking/wise and state-wise; and

(c) the efforts made so far to recover the amount